WELFARE REFORM RECONCILIATION/Biden-Specter Substitute

SUBJECT: Personal Responsibility and Work Opportunity Act of 1996 . . . S. 1956. Biden motion to waive the Budget Act for the consideration of the Biden/Specter substitute amendment. No. 4912.

ACTION: MOTION REJECTED, 37-61

SYNOPSIS: As reported, S. 1956, the Personal Responsibility and Work Opportunity Act of 1996, will enact major welfare reforms. The Aid to Families with Dependent Children (AFDC) program will be replaced with a new Temporary Assistance for Needy Families (TANF) block grant to the States. The TANF block grant will be capped through 2001. Time limits will be placed on individuals receiving TANF benefits. Overall, the growth in non-Medicaid welfare spending will be slowed to 4.3 percent annually. The bill originally included major Medicaid reforms, but most of those provisions were stricken when the bill was reported. Without those Medicaid reforms, welfare spending will still be reduced by \$61.4 billion over 6 years.

The Biden/Specter substitute amendment would enact the provisions of S. 1867, as introduced on June 12, 1996 by Senators Biden and Specter. S. 1867 is the companion bill to H.R. 3266, as introduced by Congressmen Castle and Tanner on April 17, 1996. The amendment contains many of the same elements as the underlying bill, with the following significant changes:

- higher maintenance-of-effort requirements would be imposed (those requirements direct States to continue welfare spending at specified percentages of their spending rates under current law);
- the \$2 billion contingency fund could be increased if it were exhausted by a national or regional recession (the contingency fund in both the bill and the substitute would provide additional TANF funds to States with high unemployment rates or large increases in their food stamp caseloads);
 - \$3 billion in funding would be provided for work activities (the bill will not provide work activities funding);
- States would have the option of providing vouchers to adults and children after their lifetime benefits for receiving welfare were exhausted;
 - States would not be given the option of receiving food stamp funding as a block grant (the bill will give that option):
 - Medicaid coverage would be retained for 1 year for all individuals who leave welfare for work (the bill will provide coverage

(See other side)

YEAS (37)				NAYS (61)			NOT VOTING (2)	
Republicans	Democrats (36 or 80%)		Republicans (52 or 98%)		Democrats (9 or 20%)	Republicans Democrats		
(1 or 2%)						(0)	(2)	
Specter	Akaka Baucus Biden Bingaman Boxer Breaux Bryan Bumpers Conrad Daschle Dodd Dorgan Exon Feingold Feinstein Ford Glenn Graham	Harkin Heflin Hollings Inouye Johnston Kerrey Kerry Kohl Lautenberg Levin Lieberman Mikulski Murray Pell Reid Robb Rockefeller Wyden	Abraham Ashcroft Bennett Bond Brown Burns Campbell Chafee Coats Cochran Cohen Coverdell Craig D'Amato DeWine Domenici Faircloth Frahm Frist Gorton Gramm Grams Grams Grassley Gregg Hatch Hatfield	Helms Hutchison Inhofe Jeffords Kassebaum Kempthorne Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Pressler Roth Santorum Shelby Simpson Smith Snowe Stevens Thomas Thompson Thurmond Warner	Bradley Byrd Kennedy Leahy Moseley-Braun Moynihan Sarbanes Simon Wellstone	EXPLANAT 1—Official 1 2—Necessar 3—Illness 4—Other SYMBOLS: AY—Annot AN—Annot PY—Paired PN—Paired	ily Absent unced Yea unced Nay Yea	

VOTE NO. 207 JULY 19, 1996

only for such individuals who remain below the poverty line);

• instead of imposing increasing percentage penalties on States for each year that they failed to increase work participation rates, State maintenance-of-effort block grants would be increased or decreased depending on whether a State met the applicable rate;

- children would be exempted from deeming requirements for food stamps ("deeming" requires the income of an alien's sponsor to be deemed that alien's income when determining eligibility for means-tested benefits);
- disabled children and veterans would be exempted from deeming requirements for food stamps and Supplemental Security Income (SSI); and
- immigrants would not be barred from receiving Medicaid benefits in the first 5 years they were in the country (the bill will bar them from receiving most non-emergency Medicaid benefits).

The amendment would reduce the outlay savings in this bill by approximately \$10 billion.

Following debate, Senator Roth raised a point of order that the amendment violated section 310(d)(2) of the Budget Act. Senator Biden then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive opposed the amendment; those opposing the motion to waive favored the amendment.

NOTE: A three-fifths majority (60) vote of the Senate is required to waive the Budget Act. Following the failure of the motion to waive, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

Our colleagues should be familiar with the provisions of this amendment. After the last welfare reform bill was vetoed by President Clinton, a bipartisan bill was hammered out by some of our House colleagues. Senators Biden and Specter introduced the companion bill to that measure in the Senate, and they have now offered it as a substitute amendment to this bill. Basically, it accepts a large portion of the provisions in the underlying bill, plus it accepts some of the items that have been proposed in the various Democratic proposals. In our opinion, it is not an amendment that is merely a compromise proposal that splits the difference in the approaches that are taken by the two parties. Instead, it is a proposal that takes the best elements of proposals by both parties and combines them to produce a clearly superior product. Additionally, it contains \$3 billion for work activity funding. We think that both parties have advocated an unrealistically low amount of money for such activities, considering the number of people that are supposed to be moved from welfare to gainful employment.

We know that this amendment is not going to be agreed to today, we know that this bill is going to pass, and we know that when it does it will likely be vetoed by President Clinton, just as he has vetoed 2 similar welfare reform bills. In that event, we hope that Senators will give new consideration to this truly bipartisan amendment. We are confident that if we were to pass it, President Clinton would accept it. Eventually, this amendment may represent the only real chance for enacting any welfare reform bill this Congress. We urge our colleagues to give it their support.

Those opposing the motion to waive contended:

The Specter-Biden amendment has many elements we favor, but it also contains several major changes that we cannot support. The amendment would weaken the time limits with a voucher proposal; it would achieve \$10 billion less in savings; it would take away flexibility from the Governors in administering the program; and it would greatly increase eligibility for benefits, particularly Medicaid benefits, for both legal and illegal aliens. If this amendment were agreed to, we could not support final passage; the compromise would be undone. Right now we have achieved a fragile balance on this reform bill. Though we commend the sponsors of this amendment for working together in a bipartisan spirit to find common ground, we respectfully submit that they have not developed a supportable compromise. We urge our colleagues to reject this substitute amendment.